

AMENDED IN ASSEMBLY AUGUST 20, 2007

AMENDED IN ASSEMBLY JULY 18, 2007

AMENDED IN ASSEMBLY JUNE 28, 2007

AMENDED IN SENATE MAY 24, 2007

AMENDED IN SENATE APRIL 16, 2007

## **SENATE BILL**

**No. 412**

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### **Introduced by Senator Simitian**

(Principal coauthor: Assembly Member Levine)

(Coauthor: Assembly Member Brownley)

February 21, 2007

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An act to amend Section 25303 of, to add Section 21090.2 to, and to add Chapter 3.5 (commencing with Section 25250) to Division 15 of, the Public Resources Code, relating to energy.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 412, as amended, Simitian. State Energy Resources Conservation and Development Commission: natural gas.

(1) The Warren-Alquist State Energy Resources Conservation and Development Act (act) establishes the State Energy Resources Conservation and Development Commission (Energy Commission) and requires the commission to prepare a biennial integrated energy policy report containing specified information related to major energy trends and issues facing the state, as well as a biennial energy policy review. The act requires the commission to certify sufficient sites and related facilities that are required to provide a supply of electricity sufficient to accommodate projected demand for power statewide.

This bill would enact the Liquefied Natural Gas Market Assessment Act and would require the Energy Commission, in consultation with affected state agencies, including, but not limited to, the Public Utilities Commission, the State Air Resources Board, the State Lands Commission, the Department of Water Resources, and the California Coastal Commission, to adopt and submit to the Legislature and the Governor, on or before July 1, 2008, the Liquefied Natural Gas Market Assessment Report of 2008 that would be incorporated into the integrated energy policy of 2007 and would contain specified information. The Energy Commission would be required to prepare a draft report, on or before April 1, 2008, to solicit public comments in the preparation of the report, and to hold 2 public hearings, one in Los Angeles and *the* other in the San Francisco Bay area, to consider the results of the liquefied natural gas needs assessment study and to provide an opportunity for public comment. The Energy Commission would be required to include a Liquefied Natural Gas Market Assessment Report in every integrated energy policy report adopted after January 1, 2009.

The Governor, or a state or local entity would be prohibited from approving ~~a liquefied natural gas terminal in the state~~ *the construction or operation of an onshore or offshore liquefied natural gas terminal in California* until the Liquefied Natural Gas Market Assessment Report of 2008 has been issued and becomes final and all appeals have been exhausted, or November 1, 2008, whichever is earlier. By requiring a local official to determine whether the report has been adopted, the bill would increase the level of service provided by a local agency, thereby imposing a state-mandated local program.

The bill would ~~prohibit a state or local entity from approving a project to construct or operate a liquefied natural gas terminal in the state, unless~~ *require the project applicant includes to include in the application discussion and measures to mitigate impacts on evidence that it has consulted with the United States Department of Defense and the United States Coast Guard and its impacted service components.* For a project involving the construction or operation of a liquefied natural gas terminal that has not received a permit to operate on or before January 1, 2008, an environmental impact report prepared for that project by a lead agency would be required to contain certain specified information. By requiring a local agency to prepare an environmental impact report to contain specified information, the bill would increase the level of service provided by a local agency, thereby imposing a state-mandated local program.

The Energy Commission would be required on or before March 31, 2008, to create a matrix on its Internet Web site containing specified information related to the construction and operation of a liquefied natural gas facility project, and ~~would require~~ quarterly updates *would be required*.

(2) The act requires the Energy Commission, as a part of the integrated energy policy report, to conduct electricity and natural gas forecasting assessment activities.

This bill would, in addition, require the Energy Commission to include an assessment of ~~California meeting~~ *California's ability to meet* its conservation, energy efficiency, and renewable energy goals and an evaluation of the global energy markets.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. The Legislature finds and declares all of the
- 2     following:
- 3     (a) The state has a critical role in decisions regarding the siting
- 4     and design of new onshore and offshore infrastructure for the
- 5     importation of liquefied natural gas with regard to public health,
- 6     safety, and the environment.
- 7     (b) California has a rich history of innovative and strong
- 8     environmental laws and should continue to strive for the best
- 9     protections possible.
- 10    (c) Utilities in California are required to meet new demand
- 11    through energy efficiency programs before acquiring other sources
- 12    of electricity.
- 13    (d) Accelerating the use of renewable energy resources wherever
- 14    feasible and ensuring a diverse and affordable portfolio of fuel
- 15    sources may minimize supply interruptions and increase reliability.
- 16    (e) Decisions regarding the importation of liquefied natural gas
- 17    should be based on a comprehensive review of current and
- 18    projected natural gas supply and demand in California.

1 (f) *The possible importation of liquefied natural gas should be*  
2 *reviewed as part of the state's integrated energy policy report,*  
3 *which contains an overview of major energy trends and issues*  
4 *facing the state, including supply, demand, and price.*

5 **SECTION 1.**

6 **SEC. 2.** Section 21090.2 is added to the Public Resources Code,  
7 to read:

8 21090.2. (a) In addition to any other requirements under this  
9 division, for a project involving the construction or operation of  
10 an onshore or offshore liquefied natural gas terminal *in California*  
11 that has not received *an approval or* a permit to operate by a local,  
12 state, or federal agency on or before January 1, 2008, an  
13 environmental impact report ~~shall contain all of the following:~~  
14 *shall include both of the following:*

15 ~~(1) An analysis of feasible alternatives or mitigation measures~~  
16 ~~available that would mitigate or avoid any significant effects on~~  
17 ~~the environment identified in the environmental impact report.~~

18 ~~(2) A liquefied natural gas project technology review that~~  
19 ~~reviews the significant effects on the environment of the proposed~~  
20 ~~technologies.~~

21 ~~(3) An analysis of alternatives, including, but not limited to, a~~  
22 ~~range of potentially feasible project alternatives.~~

23 ~~(4) (A) An analysis of identified significant effects on the~~  
24 ~~environment that may disproportionately impact a county, city,~~  
25 ~~community, or neighborhood.~~

26 ~~(B) The lead agency shall consult with the California~~  
27 ~~Environmental Protection Agency in conducting the analysis~~  
28 ~~specified in subparagraph (A).~~

29 *(1) A comparative analysis of feasible alternative project*  
30 *technologies pursuant to Section 15126.6 of Title 14 of the*  
31 *California Code of Regulations.*

32 *(2) An analysis of potential disproportionately high and adverse*  
33 *human health or environmental effects on minority and low-income*  
34 *populations.*

35 (b) This section shall not be construed as a limitation on the  
36 power of a public agency to otherwise disapprove the project  
37 pursuant to any other provision of law.

38 (c) This section shall not be construed as a limitation to comply  
39 with any other requirements of this division or any other provision  
40 of law.

1 ~~SEC. 2.~~

2 SEC. 3. Chapter 3.5 (commencing with Section 25250) is added  
3 to Division 15 of the Public Resources Code, to read:

4  
5 CHAPTER 3.5. LIQUEFIED NATURAL GAS MARKET ASSESSMENT  
6 ACT

7  
8 25250. This chapter shall be known and may be cited as the  
9 Liquefied Natural Gas Market Assessment Act.

10 25250.5. For purposes of this chapter, the following definitions  
11 apply:

12 (a) "Liquefied natural gas" or "LNG" means natural gas cooled  
13 to minus 259 degrees Fahrenheit so that it forms a liquid at  
14 approximately atmospheric pressure.

15 ~~(b) "Liquefied natural gas terminal," "terminal," or "LNG~~  
16 ~~terminal," means a facility designed to receive liquefied natural~~  
17 ~~gas from oceangoing vessels, including those facilities required~~  
18 ~~for storage and regasification of the liquefied natural gas, marine~~  
19 ~~vessels associated with these facilities, and those pipeline facilities~~  
20 ~~immediately appurtenant to liquefied natural gas terminals~~  
21 ~~necessary to facilitate the interconnection of a liquefied natural~~  
22 ~~gas terminal to any other pipeline facility or natural gas distribution~~  
23 ~~system.~~

24 (b) *"Onshore or offshore liquefied natural gas terminal in*  
25 *California" means facilities located onshore or offshore in*  
26 *California, designed to receive liquefied natural gas from*  
27 *oceangoing vessels, including those facilities required for storage*  
28 *and re-gasification of the liquefied natural gas, the marine vessels*  
29 *associated with these facilities, and any new pipelines, including,*  
30 *but not limited to, all new pipelines from these offshore or onshore*  
31 *terminals to shore and facilities necessary or the transmission of*  
32 *the re-gasified natural gas from those facilities, to the point of*  
33 *interconnection with any existing natural gas transportation or*  
34 *distribution system.*

35 25251. (a) As a component of the integrated energy policy  
36 report of 2007 adopted pursuant to subdivision (a) of Section  
37 25302, the commission shall conduct a study of the need for  
38 liquefied natural gas imports to meet the state's energy demand at  
39 reasonable prices and shall be known as the Liquefied Natural Gas  
40 Market Assessment Report of 2008.

(b) On or before July 1, 2008, the commission shall complete and submit to the Governor and the Legislature the Liquefied Natural Gas Market Assessment Report of 2008, and shall incorporate the report into the integrated energy policy report of 2007 adopted pursuant to subdivision (a) of Section 25302.

(c) In the preparation of the report, the commission shall consult with affected state agencies including, but not limited to, the State Air Resources Board, the Public Utilities Commission, the State Lands Commission, the Department of Water Resources, and the California Coastal Commission.

(d) The report shall assess all of the following:

(1) The future demand for natural gas in California, including, but not limited to, natural gas as an alternative transportation fuel.

(2) The future supply of natural gas in California available from domestic production and imported into California through interstate pipelines, the supply available from domestic production within California, and the supply available from foreign production and imported into California through international pipelines from Mexico and Canada, including any liquefied natural gas terminal proposed to be built outside the state and the nation that would be the source of natural gas imported into the state.

(3) All supplemental sources of natural gas and natural gas alternatives that can be reasonably expected to be available to meet projected energy demand, including, but not limited to, conservation, energy efficiency programs, and renewable energy resources.

(4) Projections of the price for natural gas under reasonable supply and demand circumstances.

(e) The report shall consider the impact of reducing electricity derived from coal pursuant to Chapter 3 (commencing with Section 8340) of Division 4.1 of the Public Utilities Code, and the potential of demand reduction opportunities, including, but not limited to, the upgrading and retrofitting of energy infrastructure, the role of renewable energy, and greater efficiency in building codes.

(f) The report shall include an analysis of what impact new fossil fuel infrastructure will have on mandates on ~~investment~~ *investor* owned utilities under any provision of law, including, but not limited to, the California Renewables Portfolio Standard Program, Article 16 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of the Public Utilities Code.

(g) (1) On or before April 1, 2008, the commission shall prepare a draft of the report and shall circulate the draft report to the public.

(2) Between April 15 and May 15, 2008, the commission shall hold two public hearings, one in southern California and one in the San Francisco Bay area. During the public hearings, the commission shall accept public comment, testimony, and evidence on the draft report for the purpose of creating a public record. The public may submit written evidence to the commission on or before May 15, 2008.

(h) (1) The final ~~report~~ *Liquefied Natural Gas Market Assessment Report of 2008* shall include a finding based on the entirety of the testimony and evidence submitted pursuant to paragraph (2) of subdivision (g) as to whether *California and North American* natural gas supplies projected as necessary to meet California's energy requirement pursuant to the integrated energy policy report of 2007 can be attained ~~without at a reasonable price without the purchase of additional supplies obtained by importing natural gas to a terminal sited onshore or offshore of the California coast at a price that does not exceed the natural gas price referent.~~ *an onshore or offshore liquefied natural gas terminal in California.*

(2) The finding shall include ~~a determination of a natural gas price referent,~~ and an analysis of market price, retail rates, market transparency, projected suppliers, location of *California and North American* facilities, and quality of the natural gas provided, as well as alternative scenarios for supplying domestic natural gas through existing and planned pipelines, including opportunities for conservation, efficiency, and renewable energy.

(3) In reaching a finding that *California and North American* supplies of natural gas for California markets will be sufficient, the commission shall conclude, utilizing a substantial evidence standard *and a consideration of price*, that energy supplies will be adequate to meet California's energy needs in an economically feasible manner ~~and at a price that does not exceed the natural gas price referent.~~

(i) ~~A party that has submitted evidence or testimony may challenge the findings of the report within 30 days of the issuance of the final report by filing a petition for a writ of mandate for relief pursuant to Section 1085 of the Code of Civil Procedure.~~

(j) ~~For purposes of this section, "report" means the Liquefied Natural Gas Market Assessment Report of 2008.~~

1     (i) (1) *A person who complies with paragraph (2) may challenge*  
2     *the findings of the Liquefied Natural Gas Market Assessment*  
3     *Report of 2008 by filing a writ of mandate for review pursuant to*  
4     *Section 25901.*

5     (2) *To file a writ of mandate pursuant to paragraph (1), an*  
6     *aggrieved person shall have appeared, in person or through a*  
7     *representative, at one of the commission's public hearings, in*  
8     *person or in writing, and informed the commission of his or her*  
9     *concerns, or for good cause have been unable to do either.*

10    25252. (a) For an integrated energy policy report adopted  
11    pursuant to subdivision (a) of Section 25302 after January 1, 2009,  
12    the commission shall include a Liquefied Natural Gas Market  
13    Assessment Report as a part of the integrated energy policy report  
14    that contains all of the following:

15    (1) The assessments specified in subdivision (d) of Section  
16    25251.

17    (2) The impacts specified in subdivision (e) of Section 25251.

18    (3) The analysis specified in subdivision (f) of Section 25251.

19    (b) In the preparation of the Liquefied Natural Gas Market  
20    Assessment Report, the commission shall consult with affected  
21    state agencies, including, but not limited to, the State Air Resources  
22    Board, the Public Utilities Commission, the State Lands  
23    Commission, the Department of Water Resources, and the  
24    California Coastal Commission.

25    (c) (1) On or before August 1 of the year in which the  
26    commission is required to adopt an integrated energy policy report  
27    pursuant to subdivision (a) of Section 25302, the commission shall  
28    prepare a draft of the Liquefied Natural Gas Market Assessment  
29    Report and shall circulate the draft report to the public.

30    (2) Between August 15 and September 15 of the year in which  
31    the commission is required to adopt an integrated energy policy  
32    report pursuant to subdivision (a) of Section 25302, the commission  
33    shall hold two public hearings, one in southern California and one  
34    in the San Francisco Bay area. During the public hearings, the  
35    commission shall accept public comment, testimony, and evidence  
36    on the draft of the Liquefied Natural Gas Market Assessment  
37    Report for the purpose of creating a public record. The public may  
38    submit written evidence to the commission on or before September  
39    15 of that year.



(d) (1) The final Liquefied Natural Gas Market Assessment Report shall include a finding based on the entirety of the testimony and evidence submitted pursuant to paragraph (2) of subdivision (c) as to whether *California and North American* natural gas supplies projected as necessary to meet California's energy requirement pursuant to the integrated energy policy report can be attained ~~without at a reasonable price without the purchase of additional supplies obtained by importing natural gas to a terminal sited onshore or offshore of the California coast at a price that does not exceed the natural gas price referent. an onshore or offshore liquefied natural gas terminal in California.~~

(2) The finding shall include ~~a determination of a natural gas referent~~ and an analysis of market price, retail rates, market transparency, projected suppliers, location of *California and North American* facilities, and quality of the natural gas provided, as well as alternative scenarios for supplying domestic natural gas through existing and planned pipelines, including opportunities for conservation, efficiency, and renewable energy.

(3) In reaching a finding that *California and North American* supplies of natural gas for California markets will be sufficient, the commission shall conclude, utilizing a substantial evidence standard ~~and a consideration of price~~, that energy supplies will be adequate to meet California's energy needs in an economically feasible manner ~~and at a price that does not exceed the natural gas price referent.~~

~~(e) A party that has submitted evidence or testimony may challenge the findings of the report within 30 days of the issuance of the final report by filing a petition for a writ of mandate for relief pursuant to Section 1085 of the Code of Civil Procedure.~~

~~(e) (1) A person who complies with paragraph (2) may challenge the findings of the Liquefied Natural Gas Market Assessment Report by filing a writ of mandate for review pursuant to Section 25901.~~

~~(2) To file a writ of mandate pursuant to paragraph (1), an aggrieved person shall have appeared, in person or through a representative, at one of the commission's public hearings, in person or in writing, and informed the commission of his or her concerns, or for good cause have been unable to do either.~~

25253. (a) The Governor, or a state or local entity shall not approve the construction or operation of ~~a liquefied natural gas~~

1 ~~terminal in the state~~ *an onshore or offshore liquefied natural gas*  
2 *terminal in California* until the Liquefied Natural Gas Market  
3 Assessment Report of 2008 is issued and becomes final and all  
4 appeals have been exhausted, or November 1, 2008, whichever is  
5 earlier.

6 (b) Notwithstanding any other provision of law, a state or local  
7 permitting agency shall not use this chapter for the purpose of  
8 limiting the acceptance, review, or processing of an application  
9 for a permit while the Liquefied Natural Gas Assessment Report  
10 is pending or while a judicial appeal of the report is pending.

11 25254. On or before March 31, 2008, the commission shall  
12 create a matrix on its Internet Web site that meets, to the extent  
13 that data are publicly available, all of the following requirements:

14 (a) The matrix shall be in a format that allows the public to  
15 contrast and compare each liquefied natural gas terminal, either  
16 existing or proposed, that is located onshore or offshore anywhere  
17 ~~from in California. The matrix shall also include information from~~  
18 *facilities located in* Alaska, Canada, the west coast of the  
19 continental United States, and the west coast of Mexico including  
20 Baja California that may provide natural gas to California.

21 (b) It shall include a summary of environmental impacts,  
22 mitigation measures, and alternatives discussed in the  
23 environmental impact report (EIR) completed for the project, along  
24 with an online link to the EIR. For projects outside the state and  
25 nation a link to an equivalent environmental review document.

26 (c) For each existing and proposed land-based or offshore  
27 liquefied natural gas terminal project, the matrix shall include the  
28 following information: project location, project owner, project  
29 Web site, project contact, project description, average natural gas  
30 production capacity in cubic feet per day, the peak natural gas  
31 production capacity in cubic feet per day, liquefied natural gas and  
32 natural gas storage capacity, if any, the approximate project cost,  
33 projected online date, and the siting process applicable to the  
34 project.

35 (d) The matrix shall be updated as information becomes  
36 available and no less than quarterly and shall include the major  
37 project components and the potential environmental impacts  
38 associated with each land-based and offshore natural gas import  
39 terminal project proposal that has filed an application or has

1 publicly announced plans to build a land-based or offshore  
2 terminal.

3 (e) The commission shall post a new application for approval  
4 to build and operate a natural gas import terminal in the state to  
5 the matrix within 30 days after the filing of the application.

6 ~~25255. A state or local entity shall not approve a project to~~  
7 ~~construct or operate a liquefied natural gas terminal, unless the~~  
8 ~~applicant has consulted with the United States Department of~~  
9 ~~Defense and the United States Coast Guard and has included within~~  
10 ~~the application, discussion and measures to mitigate impacts on~~  
11 ~~the United States Department of Defense and the United States~~  
12 ~~Coast Guard operations with regard to impacts upon national~~  
13 ~~security, including potential impacts on the land, sea, and airspace~~  
14 ~~identified by the Department of Defense, any of its component~~  
15 ~~armed services, or the United States Coast Guard, for conducting~~  
16 ~~operations or training, or for the research, development, testing,~~  
17 ~~and evaluation of weapons, sensors, and tactics.~~

18 *25255. An applicant shall provide evidence in its application*  
19 *that it has consulted with the United States Department of Defense*  
20 *and its impacted service components, and include within the*  
21 *application a description of the consultation with regard to*  
22 *potential impacts upon national security, including potential*  
23 *impacts on the land, sea, and airspace identified by the Department*  
24 *of Defense and its impacted service components, for conducting*  
25 *operations or training, or for the research, development, testing,*  
26 *and evaluation of weapons, sensors, and tactics.*

27 ~~SEC. 3.~~

28 *SEC. 4.* Section 25303 of the Public Resources Code is  
29 amended to read:

30 25303. (a) The commission shall conduct electricity and natural  
31 gas forecasting and assessment activities to meet the requirements  
32 of paragraph (1) of subdivision (a) of Section 25302, including,  
33 but not limited to, all of the following:

34 (1) Assessment of trends in electricity and natural gas supply  
35 and demand, and the outlook for wholesale and retail prices for  
36 commodity electricity and natural gas under current market  
37 structures and expected market conditions, including an assessment  
38 of California meeting its conservation, energy efficiency, and  
39 renewable energy goals.

(2) Forecasts of statewide and regional electricity and natural gas demand including annual, seasonal, and peak demand, and the factors leading to projected demand growth including, but not limited to, projected population growth, urban development, industrial expansion and energy intensity of industries, energy demand for different building types, energy efficiency, and other factors influencing demand for electricity. With respect to long-range forecasts of the demand for natural gas, the report shall include an evaluation of average conditions, as well as best and worst case scenarios, and an evaluation of the impact of the increasing use of renewable resources on natural gas demand.

(3) Evaluation of the adequacy of electricity and natural gas supplies to meet forecasted demand growth. Assessment of the availability, reliability, and efficiency of the electricity and natural gas infrastructure and systems including, but not limited to, natural gas production capability both in and out of state, natural gas interstate and intrastate pipeline capacity, storage and use, and western regional and California electricity and transmission system capacity and use.

(4) Evaluation of potential impacts of electricity and natural gas supply, demand, and infrastructure and resource additions on the electricity and natural gas systems, public health and safety, the economy, resources, and the environment.

(5) Evaluation of the potential impacts of electricity and natural gas load management efforts, including end-user response to market price signals, as a means to ensure reliable operation of electricity and natural gas systems.

(6) Evaluation of whether electricity and natural gas markets are adequately meeting public interest objectives including the provision of all of the following: economic benefits; competitive, low-cost reliable services; customer information and protection; and environmentally sensitive electricity and natural gas supplies. This evaluation may consider the extent to which California is an element within western energy markets, global energy markets, the existence of appropriate incentives for market participants to provide supplies and for consumers to respond to energy prices, appropriate identification of responsibilities of various market participants, and an assessment of long-term versus short-term market performance. To the extent this evaluation identifies market

1 shortcomings, the commission shall propose market structure  
2 changes to improve performance.

3 (7) Identification of impending or potential problems or  
4 uncertainties in the electricity and natural gas markets, potential  
5 options and solutions, and recommendations.

6 (8) (A) Compilation and assessment of existing scientific studies  
7 that have been performed by persons or entities with expertise and  
8 qualifications in the subject of the studies, to determine the  
9 potential vulnerability, to a major disruption due to aging or a  
10 major seismic event, of large baseload generation facilities, of  
11 1,700 megawatts or greater.

12 (B) The assessment specified in subparagraph (A) shall include  
13 an analysis of the impact of a major disruption on system reliability,  
14 public safety, and the economy.

15 (C) The commission may work with other public entities and  
16 public agencies, including, but not limited to, the California  
17 Independent System Operator, the Public Utilities Commission,  
18 the Department of Conservation, and the Seismic Safety  
19 Commission as necessary, to gather and analyze the information  
20 required by this paragraph.

21 (D) Upon completion and publication of the initial review of  
22 the information required pursuant to this paragraph, the commission  
23 shall perform subsequent updates as new data or new understanding  
24 of potential seismic hazards emerge.

25 (b) Commencing November 1, 2003, and every two years  
26 thereafter, to be included in the integrated energy policy report  
27 prepared pursuant to Section 25302, the commission shall assess  
28 the current status of the following:

29 (1) The environmental performance of the electric generation  
30 facilities of the state, to include all of the following:

31 (A) Generation facility efficiency.

32 (B) Air emission control technologies in use in operating plants.

33 (C) The extent to which recent resource additions have, and  
34 expected resource additions are likely to, displace or reduce the  
35 operation of existing facilities, including the environmental  
36 consequences of these changes.

37 (2) The geographic distribution of statewide environmental,  
38 efficiency, and socioeconomic benefits and drawbacks of existing  
39 generation facilities, including, but not limited to, the impacts on  
40 natural resources including wildlife habitat, air quality, and water

1 resources, and the relationship to demographic factors. The  
2 assessment shall describe the socioeconomic and demographic  
3 factors that existed when the facilities were constructed and the  
4 current status of these factors. In addition, the report shall include  
5 how expected or recent resource additions could change the  
6 assessment through displaced or reduced operation of existing  
7 facilities.

8 (c) In the absence of a long-term nuclear waste storage facility,  
9 the commission shall assess the potential state and local costs and  
10 impacts associated with accumulating waste at California's nuclear  
11 powerplants. The commission shall further assess other key policy  
12 and planning issues that will affect the future role of nuclear  
13 powerplants in the state. The commission's assessment shall be  
14 adopted on or before November 1, 2008, and included in the 2008  
15 energy policy review adopted pursuant to subdivision (d) of Section  
16 25302.

17 ~~SEC. 4.~~

18 *SEC. 5.* No reimbursement is required by this act pursuant to  
19 Section 6 of Article XIII B of the California Constitution because  
20 this act provides for offsetting savings to local agencies or school  
21 districts that result in no net costs to the local agencies or school  
22 districts, within the meaning of Section 17556 of the Government  
23 Code.